

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)	
DELMARVA POWER AND LIGHT COMPANY)	
FOR AUTHORITY TO IMPLEMENT A DSIC)	
RATE FOR NATURAL GAS DISTRIBUTION)	PSC DOCKET NO. 19-0791
EFFECTIVE ON JANUARY 1, 2020)	
PURSUANT TO 26 <i>DEL. C.</i> § 315)	
(FILED NOVEMBER 26, 2019))	

ORDER NO. 9513

AND NOW, this 12th day of December 2019, the Delaware Public Service Commission (“Commission”) determines and orders the following:

WHEREAS, on November 26, 2019, Delmarva Power and Light Company (“Delmarva”) filed an application (“Application”) to adjust its Natural Gas Distribution System Improvement Charge (“Gas DSIC Rate”)¹ pursuant to 26 *Del. C.* § 315; and

WHEREAS, Delmarva seeks to reset its current Gas DSIC Rate from 3.12%, which was approved by Commission Order No. 9406 and became effective on July 1, 2019, to 3.77%, with an effective date of January 1, 2020. The requested Gas DSIC Rate is based on net additional plant placed into service between May 1, 2019 and October 31, 2019 in the amount of \$19,720,090 and an associated semi-annual depreciation expense of \$90,645; and

WHEREAS, the increase in the Gas DSIC Rate is expected to result in an approximately \$0.42 per month increase in the bill of an average residential customer, compared to rates currently in effect; and

¹ The DSIC Rate mechanism is described in greater detail in PSC Order No. 5850 dated December 11, 2001.

WHEREAS, Commission Staff (“Staff”) has reviewed the Application and has determined that the requested Gas DSIC Rate does not result in an increase of 5% over the last 12-month period and, therefore, satisfies the requirements of 26 *Del. C.* § 315(b)(7); and

WHEREAS, Staff recommends that the Commission not specifically approve the requested Gas DSIC Rate, but rather permit the requested Gas DSIC Rate to become effective on January 1, 2020 on an interim basis subject to Staff’s review, audit, and annual reconciliation based upon the 12-month period ending December 31, 2020 (the “Audit”); and

WHEREAS, Staff further recommends that if the Audit reflects that the requested Gas DSIC Rate was improperly calculated, the Commission properly revise the requested Gas DSIC Rate and provide an appropriate remedy for any Gas DSIC charges improperly collected;

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

1. Pursuant to 26 *Del. C.* § 315, the requested Gas DSIC Rate of 3.77% is approved to become effective on January 1, 2020 on an interim basis subject to the Audit and final approval.
2. Pursuant to 26 *Del. C.* § 315(b)(1), Delmarva shall notify all customers about changes in the Gas DSIC Rate by including appropriate information with the first bill they receive following any change in the rate.
3. Pursuant to 26 *Del. C.* § 315(b)(8), the Commission reserves jurisdiction and authority to conduct the Audit. Delmarva is put on notice that it may be obligated to refund or reimburse customers if the Audit determines that the requested Gas DSIC Rate was improperly calculated.
4. Delmarva is hereby notified that it will be assessed the costs of this proceeding pursuant to 26 *Del. C.* § 114(b).

5. The Commission reserves the jurisdiction and authority to enter such further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chairman

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary